

EXHIBIT 1-B

SAMPLE MANAGEMENT PLAN FORMAT FOR A PUBLIC FACILITIES PROJECT ADMINISTERED BY LOCAL STAFF

1. Administrative Structure

The City of _____ is an incorporated city with a Mayor-Council form of government. The following persons will have lead responsibility for administering the City's FY ____ Community Development Block Grant (CDBG) public facilities project for water improvements.

Mayor _____, as the City's chief elected official will have responsibility for all official contacts with the Montana Department of Commerce (DOC). The Mayor and City Council will have ultimate authority and responsibility for the management of project activities and expenditure of CDBG funds. The approval of all contracts and drawdown requests will be the responsibility of the City Council. (Telephone _____)

_____, Clerk-Treasurer, as the City's chief financial officer, will be responsible for management of, and record keeping for, the CDBG funds and other funds involved in the financing of the water project. One-fourth of this position's time will be devoted to CDBG administration during the term of the project. (Telephone _____)

_____, Director of the City-County Planning Board, will be designated as Project Manager and be responsible for overall project management and assuring compliance with applicable federal and State requirements for the CDBG project. The Project Manager will serve as the City's liaison with DOC for the project and will serve as the designated Environmental Certifying Officer and Labor Standards Officer. One-third of this position's time will be devoted to CDBG administration during the term of the project. (Telephone _____)

_____, City Attorney, as the City's legal counsel, will review and advise the Mayor and Council regarding any proposed contractual agreements associated with the CDBG project and provide any other legal guidance as requested. (Telephone _____)

_____, Project Engineer, will be responsible for construction-related activities including preparation of preliminary engineering, final design plans and specifications, as well as construction inspection. Contractor compliance, scheduling, and payment requests will also be subject to the Project Engineer's review and approval. (Telephone _____)

The Mayor, Clerk-Treasurer, and Planning Director attended the DOC CDBG Grant Administration Workshop.

2. Project Management

A. The Project Manager will be responsible for:

1. Preparing the Environmental Review Record (ERR) to assure full compliance with the National and Montana Environmental Policy Acts,

completion of the statutory checklist, and any other applicable environmental requirements. The Project Manager will also be responsible for preparing any legal notices required to be published for the ERR process and conducting any required public hearings or informational meetings.

2. Preparing a request for release of funds to DOC.
3. Developing a contract with DOC and assisting the City with all requirements related to effective project start-up and implementation.
4. Establishing and maintaining complete and accurate project files and preparing all documentation and reports incidental to administration of the grant.
5. Assisting the City with selection of the Project Engineer, in conformance with CDBG procurement requirements, including the preparation of requests for proposals for publication or other distribution.
6. Reviewing all proposed project expenditures or requests for payment to ensure their propriety and proper allocation of expenditures to the CDBG budget.
7. In cooperation with the Clerk-Treasurer, processing payment requests and preparing drawdown requests to DOC, including the Request for Payment and Status of Funds Report and the Project Progress Report.
8. Monitoring the contractor selection process, including the bid advertising, tabulation and award process for conformance to CDBG requirements. The manager will review the construction contract provisions for CDBG compliance and will request DOC clearance of the lowest and second lowest bidders before a contract is awarded.
9. Attending the pre-construction conference and monthly construction progress meetings.
10. Monitoring contractor compliance with applicable requirements.
11. Serving as the City's designated labor standards officer and assuring compliance with all labor standards requirements. Responsibilities will include the review of weekly payroll reports to assure compliance with Davis-Bacon prevailing wage requirements; periodic visits to the construction site to assure that required equal opportunity, labor standards, and Davis-Bacon wage determinations have been posted; and conducting on-site interviews with construction personnel to assure Davis-Bacon compliance.
12. Assuring compliance with applicable civil rights requirements, including preparation of an equal opportunity plan and a fair housing resolution, which will be adopted by the city.

13. Supervising the delivery of CDBG financial assistance to low and moderate income households for water service hookup and meter installation.
14. Preparing all required performance reports and closeout documents for submittal to DOC and assist the City with the selection of an independent auditor.
15. Attending City Council meetings to provide project status reports and representing the CDBG project at any other public meetings, as deemed necessary by the Mayor.

B. The Project Engineer will be responsible for:

1. Design and construction engineering.
2. Acquisition of all land and easements
3. Preparation of the construction bid package in conformance with applicable CDBG requirements and supervision of the bid advertising, tabulation, and award process, including the preparation of the advertisements for bid solicitation, conducting the bid opening, and issuance of the notice to proceed.
4. Conducting the pre-construction conference, with the assistance of the project manager.
5. Supervision of construction work and preparation of inspection reports.
6. Reviewing and approving all contractor requests for payment and submitting the approved requests to the City.

3. Financial Management

A. The Clerk-Treasurer's responsibilities will be as follows:

1. Establishing the CDBG bank account and transferring CDBG funds from that account to the town's treasury for disbursements, based on claims and supporting documents approved by the project manager, project engineer, and contractor. Since the City uses an interest bearing account for its general disbursements, a separate non-interest bearing account will be used for CDBG funds. Balances in that account will not exceed \$5,000 for a period of three days.
2. Entering all project transactions into the City's existing accounting system (BARS), and prepare checks/warrants for approved expenditures.

3. With the assistance of the Project Manager, preparing the Request for Payment and Status of Funds Reports to be submitted to DOC. All drawdown requests will be signed by two of the three following persons: Mayor, Clerk-Treasurer, and Council President. No expenditures will be made without the approval of the Council at a regular meeting.
 4. With the assistance of the Project Manager, preparing the final financial reports for project closeout.
- B. The Project Manager and Clerk-Treasurer will review all proposed expenditures of CDBG funds and will prepare drawdown requests, which will be signed by the officials cited above. All disbursements will be handled in accordance with the City's established claim review procedures. Before submitting the claim to the Clerk-Treasurer, the Project Manager will attach a certification to each claim stating that the proposed expenditure is an eligible expense of the City's CDBG project and consistent with the project budget. The Council will review all claims before approving them.
- C. Financial record keeping will be done in conformance with the recommendations of MDOC's Community Development Division as described in Chapter 4 of the CDBG Administration Manual. The original financial documents (claims with attached supporting material) will be retained in the City's offices.
- D. Hourly timesheets will be maintained by the Project Manager and the Clerk-Treasurer to document all time worked on the CDBG project.
- A project implementation schedule, which outlines the basic steps and timetable involved in the management of the project, is attached.
- E. Weekly timesheets will be maintained by the Project Manager and the Clerk-Treasurer to document all time worked on the CDBG project.
- F. The City's housing and neighborhood revitalization project will generate some program income from loan repayments and the sale of the sites of unsafe, abandoned property acquired and demolished through the CDBG project. Any program income received from these sources will be deposited in the City's established community development fund. Any program income received prior to project closeout will be used to assist additional households with housing rehabilitation needs. The use of program income received after project closeout will be determined at the discretion of the City Council.

A project implementation schedule, which outlines the basic steps and timetable involved in the management of the project, is attached.

KEY TO ABBREVIATIONS:

ERR - Environmental Review Record

MDOC - Montana Department of Commerce
RROF - Request for Release of Funds
DEQ - Montana Department of Environmental Quality

SAMPLE

PROJECT SCHEDULE

A. START-UP

1.	Attend DOC Workshop	City Council	March	2003
2.	Prepare Management Plan	Council & Project Mg.	March	2003
3.	Establish Project Files	Project Manager	March	2003
4.	Award Engineering Contract	City Council	March	2003
5.	Determine Audit Requirements	Project Manager	March	2003
6.	Schedule Local Govt. Audit	Council & Project Mg.	March	2003
7.	Authorize Preliminary Design	City Council	March	2003
8.	Complete ERR	Project Manager	March	2003
9.	Secure DOC Approval of RROF	Project Manager	April	2003
10.	Complete Preliminary Design	Project Engineer	April	2003

B. IMPLEMENTATION

1.	Submit First Drawdown	Clerk-Treasurer	May	2003
2.	Authorize Final Design	Project Engineer	May	2003
3.	Complete Final Plans	Project Engineer	June	2003
4.	Submit Plans to DEQ and CDBG	Project Engineer	July	2003
5.	Secure Wage Determination	Project Engineer	July	2003
6.	Prepare Bid Documents and Secure CDBG Approval	Project Engineer	Aug	2003
7.	Advertise For Bids	City Council	Aug	2003
8.	Bid Opening	Project Engineer	Aug	2003
9.	Clearance of Low Bidders	Project Engineer	Aug	2003
10.	Bid Award	City Council	Aug	2003

C. CONSTRUCTION

1.	Pre-construction Conference	Project Engineer	Sep	2003
2.	Submit Compliance Documents	Project Engineer	Sep	2003
3.	Start Construction	Project Engineer	Sep	2003
4.	Labor Standards Monitoring	Project Manager	Sep-Nov	2003
5.	Submit Drawdowns and Progress Reports	Project Manager Clerk-Treasurer	Ongoing As Needed	
6.	Final Inspection	Project Engineer	Nov	2003
7.	Final Payment to Contractor	City Council	Nov	2003
8.	Connect Households to System	Project Engineer	Nov	2003
9.	In-service System Training	Project Engineer	Nov	2003
10.	Final Payment to Engineer	City Council	Nov	2003

D. CLOSEOUT

1.	Project Closeout Begins	Project Manager	Jan	2004
2.	Project Completion Report	Project Manager	Jan	2004